BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on the Commission's Own motion into the service quality standards for All telecommunications carriers and revisions to General Order 133-B	)))))	R.02-12-004

REPLY COMMENTS OF

SUREWEST TELEPHONE (U 1015 C)

ON ASSIGNED COMMISSIONER'S RULING AND SCOPING MEMO

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June 15, 2007

REPLY COMMENTS OF
SUREWEST TELEPHONE (U 1015 C)
ON ASSIGNED COMMISSIONER'S RULING AND SCOPING MEMO

SureWest Telephone (U 1015 C) ("SureWest") hereby files these reply comments on the Assigned Commissioner's Ruling and Scoping Memo dated March 30, 2007 ("Ruling") concerning service quality standards for all telecommunications carriers in California. In summary, and as explained in more detail below, SureWest is in accord with the opening comments of those parties advocating that the Commission adopt a market-driven approach to monitoring and regulating service quality for all carriers subject to the Commission's Uniform Regulatory Framework ("URF") established in D. 06-08-030 (the "URF Phase I Decision") as well as CLECs and the wireless carriers, who have operated in an environment of reduced regulation for a much longer period of time. Such an approach should lead to the elimination of existing reporting measures and standards for those carriers. Existing measures and standards are no longer cost justified, and as certain parties explain in persuasive detail, their continuation will distort the market and may actually damage consumer welfare. Similarly, no new service quality requirements should be adopted, as there is no evidence that the benefits of such rules would exceed the costs and they, too, would distort the market. Finally, the Commission should consider customer surveys as a replacement for all other mandatory service quality standards.

I.
NO PARTY HAS CONTESTED EVIDENCE THAT SUREWEST PROVIDES CONSISTENTLY GOOD SERVICE

As SureWest explained in its opening comments in this proceeding, the Commission has previously found that SureWest provides high-quality service. No party attempted to rebut this evidence in opening comments, and it must be accepted as uncontested and correct. In view of this evidence and the findings of the Commission in the URF proceeding, the Commission should place a very heavy burden on any party advocating increased service quality regulation on SureWest and similarly situated carriers. For the same reasons, the Commission should not maintain existing standards and reporting requirements.

II.
THE OPENING COMMENTS OF MANY PARTIES DESCRIBE HOW MARKET FORCES WILL FORCE CARRIERS TO MAINTAIN AND IMPROVE THE QUALITY OF THE SERVICES THEY OFFER, AND TO DEVELOP INNOVATIVE RESPONSES TO CUSTOMER NEEDS

In their opening comments, several parties describe how the competitive market will work to provide customers with good quality service, and in particular the trade off between levels of service quality and price that will maximize customer welfare. See Opening Comments of Pacific Bell Telephone Company dba AT&T California (AT&T Opening Comments) pp. 3 – 5; Opening Comments of Verizon California (Verizon Opening Comments) pp. 4 – 10; Comments of Joint Commenting Parties (principally CLECs, Opening JCP Comments), pp. 2 – 3. The opening comments of the wireless carriers (Verizon Wireless and CTIA) demonstrate that the intense competition in the wireless market disciplines carriers with respect to service quality and pricing trade-offs. Taken as a whole, this evidence is persuasive and logical, and consistent with the observation that competitive forces discipline providers of goods and services in other markets with respect to service and product quality and pricing trade-offs. In view of this evidence, a heavy burden of proof should be on any party claiming that competition will not work in the same manner in the currently competitive telecommunications market.

In addition to straight forward economic justification for the proposition that the competitive market will force carriers to offer services that offer appealing combinations of quality and price, the proposition is historically proven and the business news and advertising provides frequent additional evidence on an ongoing basis. For example, the May 28 edition of *Business Week* contains an article entitled "A Cable Company People Don't Hate" that discusses how Cox has focused on service quality to differentiate itself in terms of customer perception. Among other things, the article states that Cox "...uses one customer-care provider, with U.S. based centers. Rather than pushing agents to hurry customers off the phone and causing multiple call-backs, Cox strives to handle issues in a single call and grades reps on how well they eliminate problems....Cox has even started a "geek squad" to help customers with tech issues, whether they involve its gear or not." (A copy of the article is attached). The article notes that Cox has achieved singular success with customers using these techniques. It is also worth noting that Cox's competitive efforts in the area of service quality and customer satisfaction would not be evident from G.O. 133-B type measurements and reporting, underscoring the drawbacks of this outdated method of service quality regulation. Finally, it seems apparent that Cox's success with these techniques would likely show up in customer satisfaction surveys, which were discussed in the opening comments of many of the parties, and which are discussed below. Another article making a similar point with respect to the emphasis that other cable service providers are placing on improving service quality appeared in the June 8, 2007 *Washington Post*, and a copy of that article is also attached.

Another innovative service described recently in the business press is a free search service that employs voice recognition technology offered by Microsoft, Google and Jingle Networks and that competes with conventional 411 information service. This service is described in the attached article from the Wall Street Journal dated May 31, 2007. The Google service is reached by dialing 1-800-GOOG-411. The customer speaks the desired city, state and the business category such as "restaurants." The service provides a verbal search response along with a connection to the listing selected and the option to receive a text message with the business information. Many providers are offering these types of services for free. Some similar services require that the customer listed to an advertisement before being connected to the 411 service, as SureWest described in its Opening Comments. The proliferation of these innovative services demonstrates that the market is changing to provide customers with new choices, and doing so fast. Such new services make the G.O. 133-B standards for information operator answer time simply irrelevant.

The service quality efforts and innovative new services described above are not the product of government rules. They are the product of competitive pressures. The Commission should stop regulating service quality for URF carriers, CLECs and wireless carriers in its existing, outdated manner in view of such service quality efforts and innovative service offerings. The Commission should rely instead on the market to produce desired outcomes.

III.
CUSTOMER SURVEYS HAVE WIDESPREAD, IF QUALIFIED, SUPPORT IN THE PARTIES' OPENING COMMENTS

As SureWest stated in its Opening Comments, a professionally-designed survey concerning service quality, conducted by an experienced, independent third party may be useful to the Commission in monitoring the service quality provided by telecommunications carriers. Other parties advocated customer surveys, some with important qualifications on the recommendation. See e.g. AT&T Opening Comments, pp. 8 – 9; Comments of Citizens Telecommunications Company of California dba Frontier, p. 3; Opening Comments of DRA, p. 6; Opening Comments of TURN, pp. 16 – 17.

As is noted above, several carriers presented evidence concerning the drawbacks of Commission sponsored surveys. Verizon's Opening Comments described how carriers may be encouraged to design and provision services to score well on any Commission sponsored survey rather than to satisfy customers needs as it perceives them. Verizon Opening Comments, p. 15 and Fernandez Declaration, p. 6, ¶ 19.

Many parties also documented the existing availability of independent customer satisfaction surveys concerning service quality. See e. g. AT&T Opening Comments, pp. 7 – 8; Verizon Wireless Opening Comments, pp. 3 – 5; CTIA Opening Comments, pp. 3 – 5. The point being made is that in light of the drawbacks of surveys and the existence of survey information already freely available in the market, the Commission should carefully consider whether it is in the interest of customers and competition to proceed with such surveys. SureWest finds the evidence concerning the drawbacks of surveys and the obvious cost savings of relying upon existing survey information on the whole to be persuasive. In light of this evidence SureWest believes that the Commission should judiciously weigh the costs of additional survey with the anticipated benefits. However, in the final analysis, SureWest believes that it would be reasonable for the Commission to implement a survey program, but that it should limit its own survey so that it does not duplicate existing survey information or waste precious resources. If such survey information fails to identify serious service problems that are not being dealt with in the competitive market, such survey programs simply should be discontinued.

Finally, the adoption of such a survey regime would allow the market to work and make additional service regulation unnecessary. Such surveys, combined with the Commission's regular complaint processes, should be sufficient to identify any major service quality problems. If a major service quality problem is identified, the Commission could use its investigative and/or enforcement powers to respond as may be appropriate. In summary, the Commission should discontinue its existing G.O. 133-B measurement and reporting rules for URF carriers, CLECs and wireless carriers, and also adopt a simplified survey regime in its place.

IV.
THE ADDITIONAL STANDARDS AND REPORTING PROPOSED BY TURN AND DRA ARE NOT SUPPORTED BY THE RECORD AND UNJUSTIFIED

DRA and TURN propose additional G.O. 133-B measurement and reporting requirements, including positive reporting as opposed to the present exception reporting, and DRA proposes a major change in four categories of operator service answer time measurement and reporting. These proposals are not justified by the record in this proceeding and in light of the impact of rapidly increasing competition in the telecommunications market.

DRA proposes that four measures of operator service answering time contained in existing G.O. 133-B be combined into one standard. (DRA Opening Comments, p. 8). As is noted throughout the opening comments of many parties by SureWest, and in these reply comments, SureWest believes that these standards should be eliminated rather than modified. Even if the existing approach is retained, DRA's approach is flawed. Contrary to DRA's assertion at p. 8 of its Opening Comments, the existing four types of operator service standards are not identical. Therefore, some of them would need to be modified before they could be combined, and DRA does not state how this should be done, and there is no record concerning how it should be accomplished.

In addition to combining all four existing measures into one omnibus measure for operator service and changing the reporting to quarterly rather than monthly, DRA also proposes a rule that a carrier failing to meet the prescribed standard for one quarter be deemed to fail for the entire year. Such a rule would distort results of the measurements and create a misleading impression concerning the carrier's operator service quality. One disaster event such as a flood, bad storm or event with similar impact could cause a carrier that provides consistently good service to fail in one quarter as to one of the existing measures operator service measurements, and be deemed to fail for the entire year as to all four combined measures. Offering this as being indicative of the carrier's overall operator service performance would be illogical and unfair, and should not be adopted.

Finally, it should be noted that DRA and TURN propose the elimination of some G.O. 133-B measures. The Commission should interpret this proposal as an indication that the overall approach of G.O. 133-B is outdated, as the individual standards become obsolete and fall by the wayside. In view of the state of competition in the market, and with certain classes of carriers exempt from the rules altogether, it is time to eliminate all of them, not just a few.

V.
ARMIS REPORTING SHOULD NOT BE EXTENDED TO CARRIERS NOT PRESENTLY SUBMITTING ARMIS SERVICE QUALITY REPORTS

As the Ruling correctly observes, like the CLECs and wireless carriers, SureWest does not report ARMIS service quality data to the FCC. Requiring SureWest and other carriers that do not presently report to make such reports to the Commission would impose a very large additional expense on SureWest and other non-reporting carriers, and yield no corresponding benefit to customers. Therefore, the Commission should only require the reporting of ARMIS service quality data by those entities that are already required to supply this information to the FCC. As discussed above, imposing new requirements of this sort on SureWest or a small group of carriers would further regulatory disparities between them and the unregulated providers against which they compete. Unless and until the FCC imposes this requirement on an additional group of carriers, this Commission should not impose a separate requirement regarding ARMIS service quality data. The customer survey data discussed above and the Commission's complaint procedures will provide adequate information for the Commission to monitor carriers' service quality.

VI.
MAJOR SERVICE INTERRUPTIONS

SureWest currently reports major service interruptions to the Commission. Service interruptions are extremely rare on SureWest's network, and it has no objection to continuing this process. However, SureWest recommends that the Commission replace its existing outage reporting requirements with the FCC's reporting scheme, as outlined in 47 C.F.R. Section 63.100. The Commission's current outage requirements stem from an obscure 1977 informal staff notice that has never been officially endorsed by the full Commission as applicable to all carriers. The details required by this notice are far from clear. Although SureWest will continue complying with the requirements of the notice to the best of SureWest's understanding, the Commission would be better served to endorse the FCC's outage reporting mechanisms, which are much clearer and were developed through an extensive rulemaking process at the federal level.

VII.
CONCLUSION

SureWest is committed to providing high-quality service to its customers, as it must to remain competitive in today's telecommunications market in order to succeed. SureWest regularly monitors its network to ensure reliability, and continues to seek ways to provide faster and better service. SureWest faces tough competition throughout its service area and across all of the services it provides, and in light of this competition, SureWest must remain vigilant in its service quality efforts. Given the nature of the competitive market in which SureWest operates and the findings of the URF Phase I Decision, no government standards are required to insure good service quality. No such measurements can withstand a cost-benefit analysis. Rather than impose onerous and expensive carrier-specific requirements, the Commission should consider a requirement of customer-focused surveys to gauge the state of service quality in California's telecommunications market. Between this

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survey data and the Commission's complaint processes, the Commission will have sufficient information to detect and respond to any major problems in service quality for all carriers.

Executed at San Francisco, California this 15th day of June, 2007.

Respectfully submitted,

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ATTACHMENT 1

A Cable Company People Don't Hate

How Cox is keeping customers happy and stealing business from the phone giants

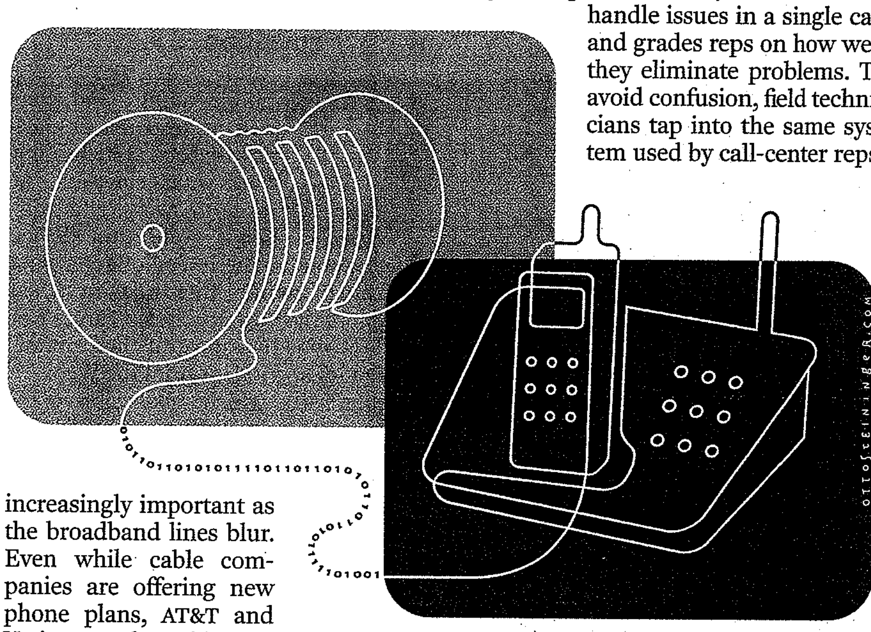
BY ROGER O. CROCKETT

THERE'S A TON OF MONEY to be made in phone service—about $60 billion of yearly revenue just on voice plans for U.S. consumers. And don't cable companies know it. For years they have been laying miles of new fiber-optic cable and doing everything they can to steal chunks of that business from the phone giants. So far they've managed to pull away about $4.6 billion in phone revenues, according to Sanford C. Bernstein & Co.

In the scramble for every customer, one cable outfit seems to have hit upon a formula that works: beating the phone companies at customer service. In recent surveys conducted by J.D. Power & Associates Inc., owned by *BusinessWeek* parent The McGraw-Hill Companies, Atlanta-based Cox Communications outscores traditional phone providers such as AT&T, Verizon Communications, and Sprint Nextel. On a variety of metrics, from network performance and reliability to billing and cost, customers in several regions describe Cox as their preferred provider.

Having a cable company lead the charge on phone service is doubly surprising given the poor reputation that many have among their own customers. According to Power, cable outfits rank 18th out of 19 industries for service. "Cox customers don't actually hate them, and that is saying something for a cable company," says Craig E. Moffett, a senior cable analyst at Bernstein.

But developing crossover appeal will become increasingly important as the broadband lines blur. Even while cable companies are offering new phone plans, AT&T and Verizon are launching TV and other advanced video services. In the latest twist, Cox, Comcast, Time Warner, and Advanced Newhouse Communications are beginning to sell a wireless phone service, Pivot, in select markets. Without it, they would be at a huge disadvantage to telcos such as AT&T, which plan to pitch wireless along with basic phone service, Internet, and TV, known as a quadruple play.



OTTO STEININGER

THE STAT

$1 BILLION

Cox's yearly phone revenues

Data: Sanford C. Bernstein & Co.

For many cable companies, phone is the fastest-growing portion of their business. Bernstein's Moffett estimates that Cox is generating about $1 billion a year from its 2.1 million phone customers, with profit margins of 50% to 60%. Nearly 20% of the homes in neighborhoods where it offers phone service have signed up, according to researcher IDC. By comparison, a tad less than 7% of customers in cable giant Comcast Corp.'s neighborhoods take its phone service, which it started pushing two years ago. (Cablevision Systems Corp. has the industry's best phone-penetration rate, 29%.) Phone companies capture 5% or less of their potential TV customers.

WIRELESS CHALLENGE

WHAT IS COX'S advantage? It uses one customer-care provider, with U.S.-based centers. Rather than pushing agents to hurry customers off the phone and causing multiple call-backs, Cox strives to handle issues in a single call and grades reps on how well they eliminate problems. To avoid confusion, field technicians tap into the same system used by call-center reps. Cox has even started a "geek squad" to help customers with tech issues, whether they involve its gear or not.

Performing at the same high level in wireless could be challenging. Cox hasn't built its own network, as it did when it entered the wired-phone business some 10 years ago. It will use Sprint Nextel Corp.'s cellular network, which has been besieged with problems after Sprint's troubled integration with Nextel. Cox President Patrick J. Esser contends that Sprint's network is improving thanks to $8 billion of expected upgrades this year. And he insists Cox will keep control of billing and service.

Cell-phone service, however, is one area where consumers seem less eager to switch. Surveys show that people are content with stalwarts such as Verizon Wireless and aren't in a hurry to fold in their cellular bill with everything else. It will be up to Esser and his team to convince them that this, too, is a job for the cable guy. ■

ATTACHMENT 2

washingtonpost.com

Cable tries to shed bad-service reputation

By Yinka Adegoke
Reuters
Friday, June 8, 2007; 9:57 AM

NEW YORK (Reuters) - Even though U.S. cable companies have had success in winning customers with all-in-one packages of video, Internet and phone services, they still struggle with a reputation for poor customer service.

Top cable operators such as Comcast Corp. <CMCSA.O> and Time Warner Cable Inc. <TWC.N> are expanding their customer service operations to make common complaints -- like waiting all day for the cable guy -- a thing of the past. But analysts say it won't be easy.

Cable's service shortcomings are one of the reasons satellite television providers are adding more new customers than cable, even with cable's success in offering competitively priced combined TV, Internet and phone packages.

"Satellite leads because they place so much emphasis on customer care," said Tuna Amobi, an analyst at Standard & Poor's. Cable operators have done a much better job in recent years, but they still have a ways to go, he added.

Comcast, the No. 1 U.S. cable operator, said it plans to hire nearly 6,000 new customer service staff and field technicians this year, after hiring around 6,500 in 2006.

The expansion is a drive to keep up with rapid growth. Comcast sold more than 5 million new services to customers last year and expects to sell 6.5 million in 2007.

Time Warner Cable, the second-largest U.S. cable operator, said it is also expanding its customer service, in line with a similar rate of growth in products being sold to customers.

Annual surveys by J.D. Power and Associates show satellite TV service providers DirecTV Group Inc. <DTV.N> and EchoStar Communications Corp. <DISH.O> have a significant lead over cable providers in overall customer satisfaction.

Improving customer service has become increasingly important for cable operators as phone rivals Verizon Communications Inc. <VZ.N> and AT&T Inc. <T.N> have become more aggressive in trying to win over TV customers.

AT&T's new chief executive, Randall Stephenson, said he hopes to improve service over time. "Right now the installation time line is very similar to the cable experience," he told Reuters in a recent interview. "All of our technicians are brand new hires, so they're going up the learning curve."

Publicly, cable companies say customer service has moved higher on their agenda. For example, Comcast and Time Warner Cable say they have cut things like all-day appointment windows to an average of between two and four hours.

But privately, cable operators say customer service is a difficult thing to get right because half the challenge is with perception. They say that while 99 percent of customers get serviced without any problems, it is the ones who have a bad experience who call the media or write to their congressmen.

One of the most viewed video clips on YouTube last summer was of a Comcast technician caught sleeping on a customer's couch as he waited more than an hour for his office to verify the installation.

Cable operators are emphasizing new services to help improve their image.

Comcast has introduced a service called "Dynamic Dispatch," which uses mobile devices and GPS systems to enable up-to-the-minute communications between customer centers and technicians.

"Do we want to strive to get better? Absolutely. Are we doing a lot to get better? Absolutely," said Comcast Senior Vice President of Customer Care Suzanne Keenan.

As for Time Warner Cable, it offers a Call-To-Meet service in most of its regions: A customer receives a call when a technician is en route, reducing the time customers waste waiting at home.

"I would say that over time we have continued to put increasing emphasis on customer care," said Tom Kinney, senior vice president corporate customer care at Time Warner Cable.

(Additional reporting by Ritsuko Ando)

ATTACHMENT 3

THE WALL STREET JOURNAL.
ONLINE

May 31, 2007

Mobile Search Is Dialing Up Voice Recognition

By SAMAR SRIVASTAVA
May 31, 2007; Page B1

Until recently, when Eli Portnoy wanted to find the nearest restaurant he would use his cellphone to call a search service offered by his carrier, Verizon Wireless. A live operator would answer and, for about $1.50 per inquiry, give the 26-year-old entrepreneur a list of choices based on his location.

Today Mr. Portnoy still makes wireless calls to get such information. But he has switched to **Google** Inc.'s free directory service that employs voice-recognition technology to power searches for local-business listings. To use it, he'll call the service and say "restaurant" and his location. Within a few seconds, an automated voice will list the top 8 choices and also give Mr. Portnoy the option of receiving a text message or being connected to one of the restaurants. The restaurants do not pay to be included, and they are ranked using the same algorithm Google uses for Web searches.

Digital Dialing

Major free search services that use voice-recognition technology

Access number	Service provider/launched	Search options
1-800-555-TELL	Microsoft Tellme/ April '07	Businesses, stock quotes, news, sports, entertainment, travel
1-800-GOOG-411	Google /Began testing in April '07	Only local business
1-800-FREE-411	Jingle Networks/ September '05	Business and residential listings

Sources: the companies

Voice-recognition technology is emerging as the latest tool in the competition among technology companies to carve out a share of the fledgling mobile-search business. In April, **Microsoft** Corp. acquired Tellme Networks Inc., a leading provider of voice services. Start-up Jingle Networks Inc., one of the first to offer a free directory-assistance service, has being doing so since 2005.

Other types of cellphone search services exist, but most of them require consumers to use their handsets to type in inquiries or navigate through menus. The procedures have proved to be daunting for many users.

The appeal of voice recognition is that users need only make a phone call and talk like they're used to doing with directory assistance. Some directory-assistance services have employed limited forms of voice recognition, but the new search services are fully automated, offer a wider range of advanced functions and are free. Typically, the services can understand words and some phrases but not whole sentences. Most of the new services allow callers to ask for the numbers of specific businesses as well as general categories. The lists of businesses aren't vetted in terms of quality.

"The billions of calls made every year to directory-assistance services are a healthy precedent for voice-based search services," says Dan Miller, a senior analyst at Opus Research, a San Francisco-based consultancy that tracks the interactive-services sector.

What's also new about such services is how they plan to make money. Some are still charging fees for each call, like most other directory services. But others, especially new entrants, are giving out information for free and trying to make money off advertising.

The interest in voice recognition is part of a broader gold rush taking place by major Internet companies for new advertising technologies. Recent deals include Microsoft's $6 billion plan to acquire online-ad specialist **aQuantive** Inc.; Google's planned purchase of DoubleClick Inc. for $3.1 billion and **Yahoo** Inc.'s purchase of the remaining 80% stake in Right Media Inc. for $680 million.

The flurry of activity is spilling over into the voice-recognition business. Earlier this month, **Nuance Communications** Inc., which sells speech-recognition software, acquired VoiceSignal Technologies Inc., a provider of mobile-voice technology. Yahoo has said that it also is planning to use speech recognition in mobile-search services.

Free mobile search, however, is more bad news for the paid directory-service business. Opus Research predicts this business will drop from $3.5 billion in annual revenue in 2006 to $1.8 billion by 2010, mostly because searching for most phone numbers is free on the Internet. People also will likely begin calling free directory services from their landline as well as their cellphones. The advertiser-supported free model is expected to increase to a $3 billion business in 2010 from $203 million in 2006, according to Opus.

"There is no question that these services have got to be free. Anyone who thinks otherwise is fooling themselves," says Emerick Woods, the CEO of V-Enable Inc., a San Diego-based provider of search and directory-assistance solutions.

"All operators are exploring the possibility of setting up free services," says Jeff Kunins, vice president marketing at Tellme Networks.

For now, the free search services are experimenting with simple ad techniques. Jingle Networks runs a general ad before users state their request. After the request is made, the Jingle service plays an ad that's more related to the query. Only then is the information dispensed.

Microsoft's Tellme service runs ads after some of the searches are performed. Google's automated-search service is still in testing mode and for now is free of advertising. The company declined to comment on whether they would run ads in future. "We think about monetizing our products later [after the testing is complete], if it makes sense to the user," says Bill Byrne, senior voice-interface engineer at Google.

Technology companies are moving toward ad-supported business models partly because voice recognition has reduced the cost of providing directory services. It costs 25 cents to 27 cents for a live operator to answer a call, but only 8 cents to 10 cents when the answering process is automated, according to Opus Research's Mr. Miller.

For now, most searches can be performed by ZIP code, area or intersection. But even executives who work for the new search services acknowledge they're not always accurate because their databases aren't complete. For example, sometimes a service won't name the closest business.

Voice-recognition technology has been around for years. But recently it has improved to the point that some systems have a 95% or better success rate in correctly recognizing words spoken, according to Paul Ricci, chairman and chief executive of **Nuance Communications** Inc., a Burlington, Mass.-based provider of voice-recognition solutions and services.

Brian Lent, CEO of Medio, a provider of mobile search solutions, says his company has been able to make their services indifferent to background noise -- and that's helped cut down on misunderstood inquiries.

URL for this article:
http://online.wsj.com/article/SB118057086404219334.html

CERTIFICATE OF SERVICE BY MAIL

I, Martin Spence, declare:

I am a resident of the State of California, over the age of eighteen years, and not a party to the within action. My business address is COOPER, WHITE & COOPER LLP, 201 California Street, 17th Floor, San Francisco, CA 94111.

On June 15th, 2007, I served the following:

REPLY COMMENTS OF

SUREWEST TELEPHONE (U 1015 C)

ON ASSIGNED COMMISSIONER'S RULING AND SCOPING MEMO

by email to those who provided email addresses, and by placing a true and correct copy thereof with the firm's mailing room personnel for mailing in accordance with the firm's ordinary practices to the parties on the CPUC's service list in this proceeding.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on June 15th, 2007 at San Francisco, California.

Martin Spence

Martin Spence

561894.1

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